

COMMISSIONER TOVAR REVISED AMENDMENT NO. 1

DATE PREPARED: February 7, 2022

COMPANY: Arizona Corporation Commission

AGENDA ITEM NO. 26

DOCKET NO.: E-00000V-19-0034

OPEN MEETING DATE: February 8, 2022

PURPOSE: To maximize the value and cost-effectiveness of energy efficiency for TEP and its customers.

At Page 11, Line 5, INSERT NEW SECTION AND NEW FINDINGS OF FACT:

“Strategen Analyses and Recommendations

7. However, the independent capacity expansion analysis conducted by Strategen Consulting on TEP’s integrated resource plan identified the potential to reduce the net present value of TEP’s revenue requirement if TEP implements both the economic cycling of coal and implements greater energy efficiency by 2030 using a 2010 baseline. In order to maximize customer savings and benefits, we therefore agree that increasing demand side resource capacity should be instituted.”

At Page 13, Line 5 INSERT NEW ORDERING PARAGRAPHS:

“IT IS FURTHER ORDERED that Tucson Electric Power shall in future Integrated Resource Plans include a portfolio that eliminates coal unit must-run designations.

IT IS FURTHER ORDERED that Tucson Electric Power shall in future Integrated Resource Plans include a portfolio that removes modeling restrictions that limit the amount of energy efficiency that can be selected as a resource option.

IT IS FURTHER ORDERED that Tucson Electric Power shall in future Integrated Resource Plans include a portfolio that removes modeling restrictions on the economic cycling and economic retirement of coal units.

IT IS FURTHER ORDERED that by January 1, 2030, Tucson Electric Power Company’s resource portfolio shall include a demand-side resource capacity equal to at least 35% of Tucson Electric Power Company’s 2020 peak demand. The portfolio of demand side management measures shall include rate-enabled, load-shifting technologies, including, but not limited to, demand response, energy storage, and smart thermostats, that provide customer bill savings and clean energy benefits.

THIS AMENDMENT:

☐ Passed☐ Passed as amended by _____☐ Failed☐ Not Offered☐ Withdrawn

ACC - Docket Control - Received 2/7/2022 4:40 PM

ACC - Docket Control - Docketed 2/7/2022 4:50 PM

IT IS FURTHER ORDERED that Tucson Electric Power Company shall demonstrate 1.3% annual energy efficiency measured by megawatt-hour savings over its next three-year planning period and shall report its annual energy efficiency savings in its 2023 Integrated Resource Plan.”

** Please make all conforming changes.

THIS AMENDMENT:		
_____ Passed	_____ Passed as amended by _____	
_____ Failed	_____ Not Offered	_____ Withdrawn